

Explore ASHEVILLE

Buncombe County Tourism Development Authority

**Buncombe County Tourism Development Authority
A Joint Meeting of the Public Authority and Nonprofit Corporation**

Explore Asheville Convention & Visitors Bureau – 27 College Place, Asheville

Board Meeting Minutes
Wednesday, May 25, 2022

Present (Voting): Kathleen Mosher, Chair; Brenda Durden, Vice Chair; Andrew Celwyn, Matthew Lehman, Leah Ashburn, Michael Lusick, HP Patel, Scott Patel

Absent (Voting): Larry Crosby

Present (Ex-Officio): Asheville City Councilmember Sandra Kilgore
Buncombe County Commissioner Robert Pressley

Absent (Ex-Officio): None

CVB Staff: Vic Isley, Marla Tambellini, Marshall Hilliard, Jennifer Kass-Green, Kathi Petersen, Jonna Sampson, Julia Simpson

BC Finance: Don Warn, Buncombe County/BCTDA Fiscal Agent

Legal Counsel: Sabrina Rockoff, McGuire, Wood & Bisette/BCTDA Attorney

In-Person Attendees: Stewart Colovin, MMGY Global
Kim Murray, Asheville Independent Restaurant Association
John Ellis, Past BCTDA Board Member
Randy Claybrook, Bent Creek Lodge
Nina Tovish, Asheville City Council Candidate
Jane Anderson, Area Resident
Lacy Cross, Movement Bank
Jason Sandford, Ashvegas.com

Online Attendees: Carli Adams, Maggie Gregg, Connie Holliday, Beth McKinney, Charlie Reed; Explore Asheville Staff
Carol Steen, Biltmore Farms
Sharon Tabor, Black Mountain – Swannanoa Chamber of Commerce
Timothy Love, Buncombe County
Jim Muth, Past BCTDA Board Member
Chip Craig, Greybeard Realty and Rentals
Leah Rainis, Wedge Brewing Company
Joe Balcken, Shelton Steele; Wrong Way River Lodge and Cabins
Sunshine Request

Executive Summary of Meeting Minutes

- Chairwoman Mosher called the joint regular meeting of the BCTDA, Public Authority and BCTDA, Nonprofit Corporation, to order at 9:01 a.m. Introductions were made around the room.
- Minutes from the April 27, 2022 BCTDA meeting were approved with an 8-0 vote.
- The April 2022 financial statements were reviewed and approved with an 8-0 vote.
- A budget amendment in the amount of \$500,000 for FY22 media opportunities was approved with an 8-0 vote.
- Ms. Isley provided her President & CEO's report.
- Mr. Lusick shared an update on the Asheville Buncombe Hotel Association.
- The FY23 proposed budget presentation included a BCTDA Finance Committee report by Ms. Ashburn, an overview of the strategic pillars and topline objectives by Ms. Isley, a storytelling foundation platform shared by Mr. Colovin, and the presentation of two proposed budget scenarios by Ms. Kass-Green.
- Chairwoman Mosher presented the two proposed FY23 budget ordinances. A motion to make the ordinances available for public review and to schedule a public hearing for the consideration of the ordinances on June 29 was approved with an 8-0 vote.
- Updates from Asheville City Councilmember Sandra Kilgore and Buncombe County Commissioner Robert Pressley were heard.
- Ms. Ashburn shared a comment related to the Tourism Summit under Miscellaneous Business.
- Chairwoman Mosher reported there were no requests to make public comments, virtually or in-person, received for this meeting.
- With an 8-0 vote, the BCTDA meeting adjourned at 10:01 a.m.

Call of the Joint BCTDA Meeting to Order

Chairwoman Mosher called the joint regular meeting of the Buncombe County Tourism Development Authority (BCTDA), a Public Authority and BCTDA, a Nonprofit Corporation, to order at 9:01 a.m.

Chairwoman Mosher said the meeting is being live-streamed and, for remote viewers, the agenda and meeting documents are provided on [AshevilleCVB.com](https://www.ashevillecvb.com). She added the documents were also emailed to everyone who registered via Zoom by 8:00 this morning and the recording and additional materials will be posted on the website after the meeting.

Introductions were made around the room.

Approval of Meeting Minutes

Mr. Celwyn made a motion to approve the April 27, 2022, regular meeting minutes as presented. Ms. Ashburn seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

Financial Reports

April 2022 Financial Reports

Mr. Warn reviewed the April 2022 financial reports. There were no questions.

Vice Chairwoman Durden made a motion to approve the April 2022 financial reports as presented. Mr. Lehman seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

Budget Amendment

Ms. Kass-Green said a budget amendment is being requested for FY22 in the amount of \$500,000 for media opportunities aligned with Explore Asheville's strategic pillars, such as the AFAR Ethical Traveler Partnership.

In response to Ms. Ashburn's question if the additional funding is for known expenditures or for opportunities that may arise, Ms. Kass-Green said it is being requested for both.

Ms. Ashburn made a motion to approve the budget amendment in the amount of \$500,000 from Appropriated Fund Balance to Media Contingency for media opportunities as presented. Mr. Lehman seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

President & CEO Report

Industry Metrics

Ms. Isley reviewed recent occupancy lodging metrics and provided comparisons to prior years. She noted hotel occupancy edged above the benchmark year of 2019 for the first time in April, and April occupancy for vacation rental properties was 10 points above 2019 levels.

Other Updates

Ms. Isley reported on last week's Tourism Summit 2022: The Future of Travel, in which 221 attendees gathered at The Omni Grove Park Inn for this annual event. She noted Stewart Colovin with MMGY shared a storytelling foundation highlighting how the Asheville area's tourism community will move forward in sharing stories, and Evita Robinson with Nomadness led an energetic training session on diverse audiences. Ms. Isley said she was happy to have several local elected officials participate in the summit, as well.

Ms. Isley shared the Tourism Product Development Fund (TPDF) 2022 grant cycle timeline and noted June 1 is the Phase 1 application deadline. She added it is estimated that \$15 million will have accumulated in the Fund by the end of FY22, which will be available for grants.

Ms. Isley concluded her report by mentioning the Monthly Highlights and Destination Performance reports are posted on [AshevilleCVB.com](https://www.ashevillecvb.com). There were no questions.

Chairwoman Mosher thanked Ms. Isley for the report and extended gratitude to everyone who attended the Tourism Summit.

Asheville Buncombe Hotel Association Update

Mr. Lusick said several individual hoteliers who are residents and have shared their talents and voices separately in the community throughout the years, have come together to officially form the Asheville Buncombe Hotel Association. He said this is an organization in which the hotel industry can have a united voice and contribute more to the community together. The group has met recently to elect an executive board and establish bylaws, and work through the process to complete other start-up tasks, with the goal of officially being up and running within the next quarter.

In response to a question raised by Mr. Celwyn asking if this is the same group referenced in a newspaper article from 2020 mentioning the Asheville Buncombe Hotel Association, Mr. Lusick replied that the group has been meeting sporadically and informally for a while, however, is currently going through the steps to be recognized as an official organization.

Proposed BCTDA FY23 Budget

BCTDA Finance Committee Report

Ms. Ashburn, as BCTDA Nonprofit Treasurer and Finance Committee Chair, said the committee, which also includes Mr. Lehman and Chip Craig, met on March 3, March 22, and May 5 of this year to discuss the FY23 budget planning process and provide oversight to staff. She said that as reported in the March and April meetings, occupancy tax projections reflect very healthy performance and, across Buncombe County, revenue is up across the board at food and beverage, retail, and outdoor outfitter outlets. She noted indoor cultural institutions continue to lag behind in post-pandemic recovery.

Strategic Pillars & Topline Objectives

Ms. Isley provided an overview of the upcoming budget presentations that will be shared by herself, Stewart Colovin with MMGY, and Ms. Kass-Green.

Ms. Isley provided a review of Explore Asheville's five strategic pillars and their topline objectives. The imperatives include:

1. Deliver Balanced Recovery & Sustainable Growth
2. Encourage Safe & Responsible Travel
3. Engage & Invite More Diverse Audiences
4. Promote & Support Asheville's Creative Spirit
5. Run a Healthy & Effective Organization

When finished, Ms. Isley said there has been a lot of community input to get to this point in the brand evolution process, noting this is also the launching point in terms of taking the next steps of creating visual assets, stories, and messaging to move forward. She invited Mr. Colovin to present an update on the storytelling foundation.

Storytelling Foundation

Mr. Colovin shared a PowerPoint presentation in which he provided an overview of the progress to date on developing the storytelling platform that was referenced by Ms. Isley. He briefly reviewed the steps in the process that have brought us up to today. Mr. Colovin described the

term, “The Asheville Paradox,” which is based on examples of contradictory statements he heard during his listening tour of 130+ community stakeholders. He noted statements can be paradoxical in that they can be considered both negative and positive, depending upon varying perspectives, and can either draw people in or push people away.

Next, Mr. Colovin shared a positioning statement and a video that have been created to demonstrate how Asheville’s story can be told through emotional and passionate storytelling. He then reviewed the elements of the Platform for Storytelling, which is designed to be a building block for the BCTDA to move forward to successfully collect and share Asheville’s stories.

| ASHEVILLE Platform for Storytelling | | | | |
|---|--|---|--|--|
| Essence | Values | Promise | Experience | Voice |
| We are Drawn Together to Stand Apart. | CREATIVE DEEPLY-ROOTED INDEPENDENT COLLABORATIVE OPEN | Asheville draws you in, nurtures and inspires. She grounds us and propels us to never stop creating who we are. | Creators & innovators Nurturing by nature Roots that run deep Nothing fits together, perfectly | COLORFUL GROUNDING UNAFRAID CONNECTED COMPASSIONATE |

Mr. Colovin concluded his presentation by thanking the board and staff for their time and for allowing him to be part of this evolutionary process.

Ms. Isley thanked Mr. Colovin for his presentation and shared ways the storytelling platform, based on input from community voices, will resonate with people or businesses that can be attracted to our area. She noted the platform is based more on attitude and personality rather than assets, and there will be more creative collaboration coming in the months ahead.

BCTDA Proposed FY23 Budget Presentation

Ms. Kass-Green shared a PowerPoint presentation highlighting the elements of the proposed FY23 budget. She reviewed visitor spending trends, beneficiaries of tourism, budget considerations including potential legislative changes that could change the operating/TPDF percentage split, and the previously approved revenue forecast. Ms. Kass-Green shared the status of the current FY22 budget and included an updated year-end forecast. She explained that staff has created two proposed FY23 budget scenarios, one of which will be approved based on the current occupancy tax legislation in place at the time of the June 29, 2022, BCTDA meeting.

Next, Ms. Kass-Green reviewed the financial management policy that was amended in FY21, and updated FY22 and FY23 Fund Balance forecasts. She shared the proposed budget

allocations based on the two legislative scenarios at the current 3/4 Operating to 1/4 TPDF occupancy tax split, and the proposed 2/3 Operating to 1/3 TPDF split. The proposed budget based on proposed legislation totals \$29,217,602 and includes a \$2 million transfer from Fund Balance. The proposed budget based on existing legislation totals \$30,604,500 and does not include a transfer from Fund Balance.

Ms. Kass-Green reviewed the Earned Revenue policy amendment approved last year and said the proposed budget for FY23 expenses for festivals, cultural events, and sponsorships totals \$225,000. The proposed Tourism Product Development Fund administrative budget is \$415,000. She also reviewed the forecasted total of funds available for TPDF project grants under both budget scenarios.

Ms. Kass-Green concluded the budget presentation by sharing budget highlights and then she and Ms. Isley answered all related questions.

Proposed BCTDA FY23 Budget Ordinances

Chairwoman Mosher presented Proposed FY23 Budget Ordinance #1, which is based on potential legislative changes that, if introduced and passed, will change the occupancy tax allocation from the current three-quarters/one-quarter Operating/TPDF split, to a two-thirds/one-third split. She said leadership in the local hotel community is advocating for this change. The budget ordinance includes the proposed operating budget totaling \$29,217,602 (includes a \$2 million transfer from Fund Balance), the TPDF administrative budget totaling \$415,000, and the Earned Revenue budget, totaling \$225,000.

Next, Chairwoman Mosher presented Proposed FY23 Budget Ordinance #2, which is based on the current occupancy tax legislation, directing 75% to the operating fund and 25% to the Tourism Product Development Fund. This budget ordinance includes the proposed operating budget totaling \$30,604,500 (does not include a transfer from Fund Balance), the TPDF administrative budget totaling \$415,000, and the Earned Revenue budget, totaling \$225,000.

Motion to Set Public Hearing

Ms. Ashburn moved that the board direct that the two presented ordinances be made available for public review and that a public hearing be set for the consideration of the ordinances for the next board meeting on June 29, at 9:00 a.m. Mr. Celwyn seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

The proposed budget ordinances are on file with the Explore Asheville Convention & Visitors Bureau and are posted on AshevilleCVB.com.

Asheville City Council Update

Councilmember Kilgore reported on city-related business, including increasing the minimum wage for city employees to \$17 per hour, approval of conditional zoning for an Ingles at 1001 Patton Avenue, approval to apply for TPDF funding for four community projects, and approval of the Merrimon Avenue road diet project.

Chairwoman Mosher thanked Councilmember Kilgore for the update.

Buncombe County Commission Update

Commissioner Pressley reported on county-related business, including the approval of increased funding for early childhood development, teacher salaries, additional job opportunities, workforce support, the unanimous passage of an occupancy tax resolution, an upcoming bond approval for affordable housing and land conservation, and the county's FY23 budget, which includes increasing the minimum wage for county workers to \$17 per hour.

Chairwoman Mosher thanked Commissioner Pressley for his report.

Miscellaneous Business

Ms. Ashburn noted that at last week's Tourism Summit, she made a connection with a new food truck owner looking to make connections and get established to serve at local venues and events. She said as a result of a follow-up meeting they had at Highland, the food truck owner has made new connections that will help to support this new business.

Comments from the General Public

Live Virtual Public Comments

Chairwoman Mosher said members of the public were invited to sign-up to virtually share live comments during today's in-person BCTDA meeting. She reported that as of yesterday's 12:00 p.m. registration deadline, no requests to speak had been received.

In-Person Public Comments

Chairwoman Mosher said upon arrival to this morning's BCTDA meeting, anyone who indicated a desire to make public comments would have completed the public comment sign-in sheet, affirming that they have read, understand, and agree to abide by the Rules of Decorum. She said no one signed up to share public comments.

Adjournment

Chairwoman Mosher requested a motion to adjourn.

Ms. Ashburn moved to adjourn the meeting and Vice Chairwoman Durden seconded the motion. There was no discussion and with all in favor, the motion carried 8-0 and the meeting ended at 10:01 a.m.

The PowerPoint presentation and relevant documents are on file with the Explore Asheville Convention & Visitors Bureau and are posted on [AshevilleCVB.com](https://www.exploreasheville.com).

The next joint BCTDA meeting will be held on Wednesday, June 29, 2022, beginning at 9:00 a.m., in the Explore Asheville Board Room, located at 27 College Place in Asheville.

Respectfully submitted,


Jonna Sampson, Executive Operations Manager